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File 08017

NPIC/TDS-177/67  
29 September 1967

MEMORANDUM FOR: Director, National Photographic Interpretation Center

THROUGH: Chief, Support Staff, NPIC

SUBJECT: Request for Overrun Payment to [REDACTED]  
[REDACTED] Amounting to [REDACTED], FY-1967 Funds, for the Integrated Information System (IIS) Program, [REDACTED]

1. This memorandum requests approval to expend [REDACTED] of FY-1967 R&D funds for an overrun on the IIS program.

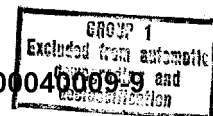
2. The basic contract with [REDACTED] during FY-1967 amounted to [REDACTED] (without fee). The work performed by the contractor on the IIS Program, as evidenced by frequent milestone checks and by the NPIC evaluation of the final report, gives every indication of a highly successful effort.

3. The claimed overrun was caused by government approved provisional billing and booking rates for labor and engineering overhead [REDACTED] and for additional travel costs [REDACTED]. The attachments provide the breakdown of costs as claimed by the company.

4. The overrun had been predicted several months ago by [REDACTED] and this fact was known by both TDS and by the Contracting Officer; however, formal action by NPIC could not be taken until receipt of the written overrun statement by [REDACTED]. There was no indication of urgency in providing the overrun payment request since it was assumed by NPIC that sufficient funds existed to carry the contract through to November. The written statement was received on 26 September. On 28 September, the Office of Logistics (O/L) representative received a call from [REDACTED] stating that funds would run out on 29 September; [REDACTED] therefore requested verbal assurance that the additional funds would be forthcoming to be followed by the routine written confirmation and approval on the part of NPIC; otherwise a stop-work order would have to take place. Although the suddenness of the depletion of funds was not known to TDS and O/L, it has been the considered opinion of both offices that the overrun should be paid and preparations were underway to recommend such action.

DECLASS REVIEW by NIMA/DOD

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Integrated Information System (IIS) Program,  
[REDACTED]

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The Assistant for Technical Development accordingly recommends approval to pay the overrun from past year funds.

5. The overrun cost does not exceed the 15% of contract-cost-criterion which has been set up by the Contract Review Board. The Budget and Finance Branch has affirmed that sufficient funds are available.

[REDACTED]  
Colonel, USAF  
Assistant for Technical Development, NPIC

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Attachments: a/s  
[REDACTED]

APPROVED: ARTHUR C. LUNDAHL  
Director  
National Photographic Interpretation Center

5 OCT 1967

Date

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